



# Department of Justice

**David Rivera**  
**Acting United States Attorney**  
**MIDDLE DISTRICT OF TENNESSEE**

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**THREE CHARGED WITH FRAUDULENT CONDUCT RELATED TO THE UPPER  
CUMBERLAND DEVELOPMENT DISTRICT**

*NASHVILLE, Tenn. – September 26, 2013* - Wendy Askins, 53, of Cookeville, Tenn., Larry Gene Webb, 64, of Smithville, Tenn. and Billy Michael Foster, 66, of Smithville, Tenn., were indicted yesterday by a federal grand jury and charged with various federal offenses related to theft and fraud from the Upper Cumberland Development District (UCDD), announced David Rivera, Acting U.S. Attorney for the Middle District of Tennessee. UCDD is a quasi-governmental economic development resource for the fourteen counties in the Upper Cumberland Region that was established by the Tennessee General Assembly and was funded in part by state and federal grants.

Askins and Webb were charged with conspiring to commit various federal offenses as well as six counts of theft and conversion of government property in excess of \$1,000; four counts of bank fraud; three counts of money laundering; and a single count of concealing a material fact within the jurisdiction of the United States. Additionally, Askins and Foster were charged with a single count of making a false statement regarding a matter within the jurisdiction of the United States.

“Once again, we will reiterate that those who seek to profit by defrauding the taxpaying public and misusing government funds will be held accountable,” said Acting U.S. Attorney David Rivera. “The personal gain and lavish lifestyles gained by fraudulent schemes will eventually come to an end. Public corruption remains a top priority of the U.S. Attorney’s Office and our partner law enforcement agencies.”

According to the indictment, Askins, who was the Executive Director of the UCDD, and Webb, who was the Deputy Director of UCDD, perpetrated a scheme from February 2010 through February 2012 to convert over \$670,000 of government funds intended for UCDD and its related agencies to the use of the “Living the Dream” property, which was owned by Askins

and Webb. Askins and Webb incorporated Living the Dream in their own names and caused money to be transferred from UCDD to Living the Dream without seeking the approval of the UCDD Board of Directors. Askins and Webb also obtained bank loans and lines of credit in excess of \$1,000,000 to renovate the Living the Dream property by using UCDD bank accounts and property as collateral for the loans.

In order to cover up the illegal activity, Askins and Webb directed other individuals to alter the official minutes of the UCDD board meeting that occurred on February 16, 2010, and to delete audio recordings of all UCDD meetings. Askins prepared a false statement, which was read by Foster, who at the time was the chairman of the UCDD Executive Committee and Board of Directors, at a UCDD board meeting on January 19, 2012. Foster knew the statement was false when he read it.

“This indictment should send a signal to those who would seek to take advantage of a position of trust for personal gain,” said A. Todd McCall, Special Agent in Charge of the Memphis Division of the Federal Bureau of Investigation. “The FBI and our law enforcement partners place a priority on investigating these crimes, and will continue to work to ensure that those who violate the law are held accountable.”

Christopher A. Henry, Special Agent in Charge, IRS Criminal Investigation, Nashville Field Office, said, “IRS Criminal Investigation is committed to investigating and prosecuting those who defraud state and federal grant programs and sending a clear message that these violations are serious crimes against the American public. Our special agents provide the financial expertise in following the money.”

“This is a prime example of a combined investigative effort, successfully exposing grant fraud and protecting taxpayer monies,” said Todd Zinser, Inspector General for the U.S. Department of Commerce- OIG.

If convicted, Askins faces up to two hundred and twenty-five years in prison and a \$6,750,000 fine as well as forfeiture of property derived from or used in the bank fraud and money laundering offenses charged. Webb faces up to two hundred and twenty years in prison and a \$6,500,000 fine, as well as forfeiture of property derived from or used in the bank fraud and money laundering offenses charged, and Foster faces up to five years in prison and a \$250,000 fine.

The case was investigated by agents with the U.S. Department of Health and Human Services, Office of the Inspector General, the U.S. Department of Commerce, Office of Inspector General, the IRS- Criminal Investigations and the FBI, with assistance from the U.S. Department of Housing and Urban Development- Office of Inspector General. The United States is represented by Assistant U.S. Attorneys Darryl Stewart and Scarlett Singleton.

An indictment is merely an accusation and is not evidence of guilt. Defendants are presumed innocent unless and until proven guilty in a court of law.

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